

EC337: Third Year Module Fair

EC337 Market Economics 2: Competition and Regulation Policy

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EC337 Overview

- New module
 - Half of previous EC307 EPUK module
- Two part module:
 - i. Competition Policy
 - ii. Regulation Policy
- Ten 2 hour lectures
 - Five for each part
- Assessment
 - 3 hour final exam (80%)
 - Course work (one essay) (20%)

Should understand and be able to work with simple mathematical models that use algebra, calculus and constrained optimisation techniques

EC337 Overview

- Aim of module
 - Put industrial organisation theory in practical context
 - Analyse policy issues in different market structures
 - Develop an understanding of how economics informs policy-making and enables effective policy application in this area
- Learning objectives
 - By the end of the course you should have gained a good understanding of how theory and economics are applied to solve and address competition and regulatory problems

Lecture attendance is regarded as essential as no single textbook provides a perfect substitute. Extensive use will be made of case study material and facts.

EC337 Competition Policy Part 1

- Will present summary of theories on market structure, conduct and performance and their relationship to antitrust policy
- Theory complemented by extensive reference to case experiences largely in the UK and the EU
- Specific topics likely to include:
 - The concept of market definition;
 - Measures, determinants, and consequences of horizontal concentration and market power (dominance);
 - Prohibition on restrictive practices and abuses of dominance laws (articles 101 & 102 TFEU);
 - Substantial lessening of competition tests;
 - Horizontal merger policy;
 - Vertical structures including restraints, mergers, and operational separation;
 - Per se rules versus rule of reason (as part of the wider debate on effects based competition policy versus form based competition policy);
 - Essential facilities, access pricing remedies and multi-sided markets;
 - Innovation and dynamic efficiency.

EC337 Regulation Policy Part 2

- Focuses on modern regulatory practice, particularly in relation to communications and other networked public utilities. It analyses technical, economic and societal regulatory theory and practice.
- Topics include:
 - Incentive-based (“smart”) regulation,
 - Use of market-based and/or ex ante regulation (e.g. spectrum auctions) and regulatory reform.
- Specific cases include
 - ‘converged’ regulators (Ofcom formed in 2003 in the UK combines the former duties of five separate regulatory bodies) and self- and co-regulation in e.g. financial and professional services, animal disease management and Internet regulation.
- Examples from Internet economics (e.g. cloud computing networks) and health care management procurement are likely to feature.

Slides available at:
www.cdoyle.com/teaching/EC337_Overview.pdf